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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/708,124	11/02/2000	Michael Lewis	53588-0027	9086

7590

06/17/2004

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EXAMINER

SNAPP, SANDRA S

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 06/17/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/708,124

Applicant(s)

LEWIS ET AL.

Examiner

Sandra Snapp

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 06 February 2003.
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-26 is/are pending in the application.
4a) Of the above claim(s) 23 is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) 1-26 is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☒ Claim(s) 1-26 are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
10) ☒ The drawing(s) filed on 02 November 2000 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☒ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 4-7.
4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Election/Restrictions

Restriction to one of the following inventions is required under 35 U.S.C. 121:

- I. Claims 1-22 and 24-26 are drawn to a method of evaluating fraud risk, classified in class 705, subclass 38.
- II. Claim 23, drawn to a method of determining whether a text value is gibberish, classified in class 705, subclass 500.

The inventions are distinct, each from the other because of the following reasons:

Inventions of Group I and Group II are unrelated. Inventions are unrelated if it can be shown that they are not disclosed as capable of use together and they have different modes of operation, different functions, or different effects (MPEP § 806.04, MPEP § 808.01). In the instant case the different inventions because the method of determining fraud risk is carried out by determining various fraud risk score values, combining them and then blending the combined total with merchant specified threshold values. The method of determining whether a text value is gibberish is carried out by identifying successions of letter pairs, retrieving probability values that represent the probability the text pairs is found in a genuine text value, and then generating a fraud risk penalty value based on the probability value. Since the two inventions are clearly directed to different steps which ultimately reach far different results, they are directed to different inventions and as such belong in different applications. Because these inventions are

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distinct for the reasons given above and the search required for Group I is not necessarily required for Group II, restriction for examination purposes as indicated is proper.

During a telephone conversation with Mr. Chris Polermo on 6-8-4 a provisional election was without traverse to prosecute the invention of Group I, claims 1-22 and 24-26. Affirmation of this election must be made by applicant in replying to this Office action. Claim 23 is withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention.

Information Disclosure Statement

The information disclosure statements (IDSs) submitted on 3-5-1 (two), 10-21-02, 12-17-02 and 2-6-3 were filed in compliance with the provisions of 37 CFR 1.97. However, at the preparation of this Office Action, only copies of the IDSs submitted on 3-5-1 (one) and 12-17-02 were actually found in the application file. Therefore, those IDSs have been considered by the examiner, and if the Applicant will furnish a copy of the missing IDSs, along with any non-patent literature cited therein, the Examiner will consider those IDSs timely and consider the information therein without any further fee required. The Examiner apologizes for any inconvenience this may cause the Applicant.

Priority

The Examiner acknowledges priority claimed to patent application serial no. 08/901,687 filed 7-28-1997, now patent no. 6,029,154 and to application serial no. 09/442,106, filed 11-17-1999, currently pending.

Oath/Declaration

The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02.

The oath or declaration is defective because:

It does not identify the mailing address of the inventor William Wright. A mailing address is an address at which an inventor customarily receives his or her mail and may be either a home or business address. The mailing address should include the ZIP Code designation. The mailing address may be provided in an application data sheet or a supplemental oath or declaration. See 37 CFR 1.63(c) and 37 CFR 1.76.

It also does not identify the citizenship of William Wright.

It does not identify the city and either state or foreign country of residence of William Wright. The residence information may be provided on either on an application data sheet or supplemental oath or declaration.

Specification

The abstract of the disclosure is objected to because it is too long, it exceeds the 150 word limit. Correction is required. See MPEP § 608.01(b).

Also, the disclosure is objected to because there is no figure description in the Specification for Fig. 5C.

Appropriate correction is required.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

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Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-22 and 24-26 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 1-25 are directed to non-statutory subject matter because they lack any recitation of technology in the body of the claims. The Patent Office has taken the position that some form of technology must be claimed in the body of the claim. The Board of Patent Appeals and Interferences has stated that claims lacking any technology are “nothing more than [an] abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution.” *Ex parte Bowman*, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) (Unpublished). While it is understood that the Bowman case is not precedential, it is cited herein for its content and reasoning.

Also, claim 26 is non-statutory because the instructions are not embodied or saved in a computer readable medium. The Patent Office has taken the position that data must satisfy a two-part test: first, that the code be embodied or saved in a computer readable medium, and second that it be computer executable. Claim 26 fails to satisfy the first part of the test because the instructions are not saved on a *computer readable medium*.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-22 and 24-26 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 is indefinite because it states an “electronic commerce transaction” in the preamble, then in the body of the claim it states “electronic transaction” and “the transaction.” If all such transactions are the same, they should consistently be referred to with the same terminology. This same issue applies to claims 9-12 and 24-26. Also, claim 1 is indefinite because of the use of the term “genuine” is vague and it is unclear what the Applicant means by using the term “genuine.” The term genuine is also used in claims 12, 13, 15, 17, 22-26, thus rendering those claims indefinite for the same reason.

Claims 3-6 are indefinite because they state “an Internet identity” yet such Internet identity was already introduced in claim 2. As such, the phrase Internet identity should be preceded by “the” or “said” since it already has proper antecedent basis established.

Claims 7 and 8 are indefinite because the step “determining a second fraud risk score value” should be “determining *the* second fraud risk score value” since proper antecedent basis was established in claim 1.

Claim 8 is indefinite because the term “large” as in “a specified *large* plurality of the records” is vague and it is not possible to determine the metes and bounds of the claim.

Claims 12, 13, 22 are indefinite because the phrase “unintelligible or meaningless” is vague and it is unclear exactly what the Applicant means by unintelligible or meaningless. While the claim further states the plurality of tests determine whether a text value is unintelligible or meaningless by performing the steps of receiving the text value, retrieving a

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probability value and generating a penalty value, it does not show how such steps actually render the phrase unintelligible or meaningless.

Claims 14-15 are indefinite because they state the phrase “true position” which is vague. It is unclear what is meant by ‘true position’ and as such one is unable to determine the metes and bounds of the claim. Also, both claims state “a latitude value” and a “range of latitude values” then they further state, “the latitude values.” It is unclear if “the latitude values” is referring to the “range of latitude values” or to the single “latitude value.” Clarification is required.

Claims 18 and 21 are indefinite because of the phrase “too far” which is vague. It is unclear how far “too far” is.

Claims 2, 9-11, 16, 19 and 20 are indefinite because they depend from rejected base claim 1.

Claim 26 is indefinite because it is not clear whether the applicant is actually claiming an apparatus or a method. The preamble states the claim is for an apparatus, however the majority of the claim language is directed to method steps. Clarification is required.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The Gopinathan et al, Baulier et al., Basch et al., Justice et al., Rangachar, Anderson et al., Asfar et al., Wallace, Chan et al., Bowman and Alain patents are all directed to electronic fraud prevention systems. The Vint, Sakurai, Black et al., Stambler, Hobson et al., Martin,

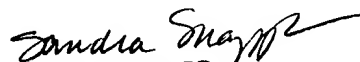
Gilbert et al., Mao, Reilly, Siegel et al., Armbrust et al., Barnett, Moreau, Arditti et al., and Ballard patents are all directed to electronic systems that have security features.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sandra Snapp whose telephone number is 703-305-6940. The examiner can normally be reached on Mon.-Thurs..

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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GROUP 3500